

# Certain Steel Nails from Korea, Malaysia, Oman, Taiwan, and Vietnam

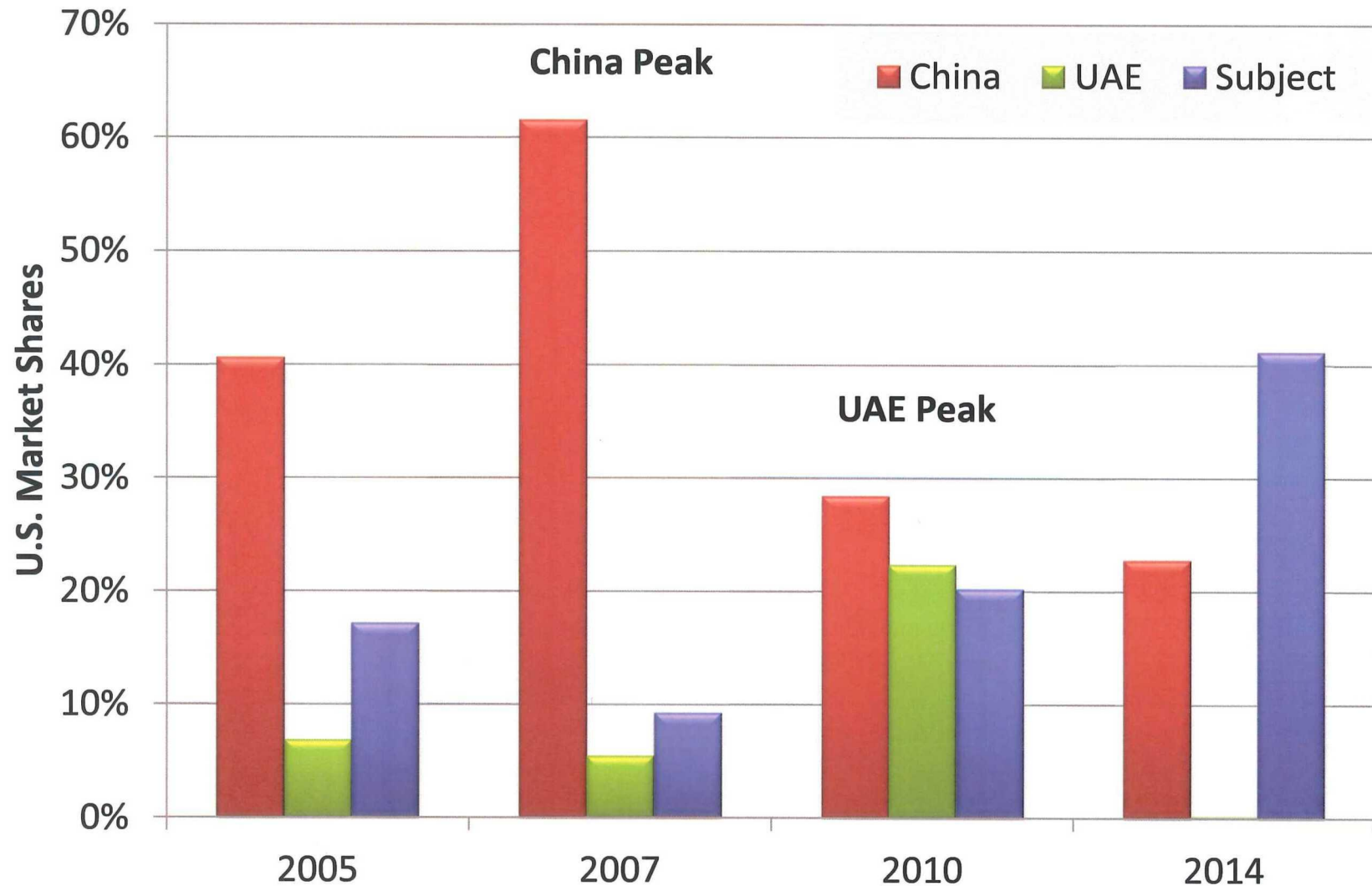
ITC Hearing

Daniel W. Klett

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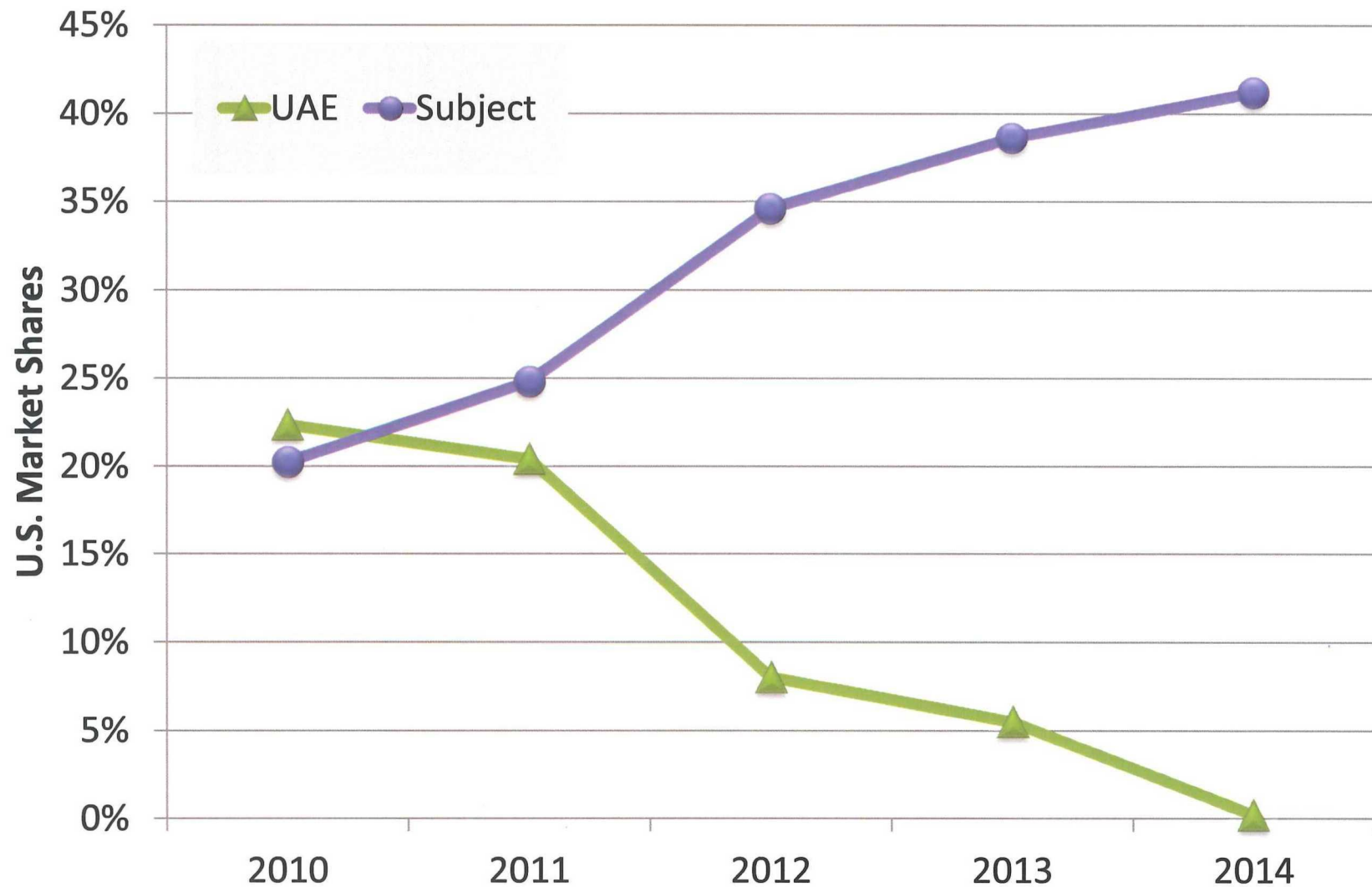
May 14, 2015

# Subject Imports Have Sequentially Replaced Import Volumes for Imports Subject to AD Orders



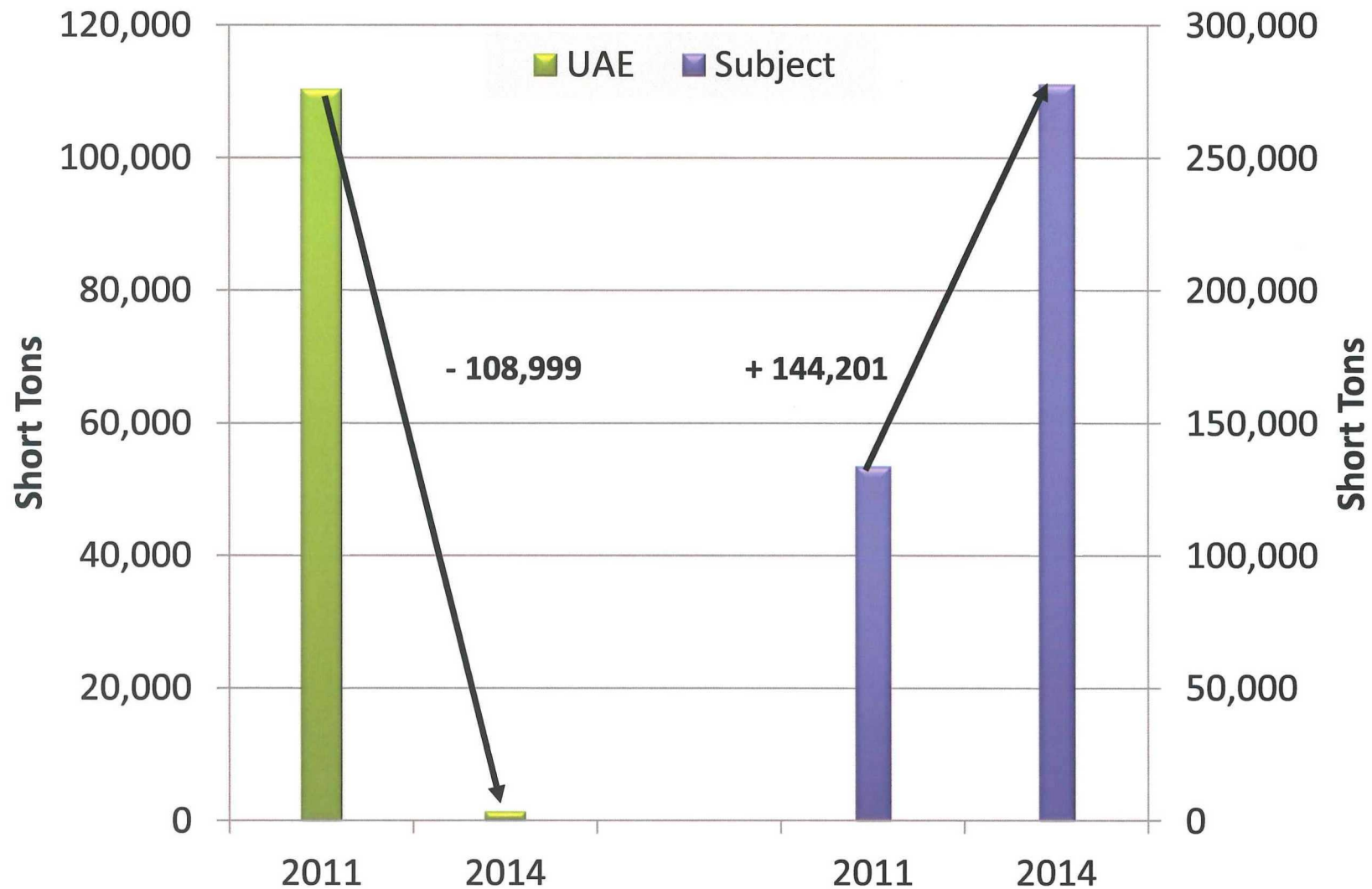
Source: U.S. Census, and ITC Staff Reports: Certain Steel Nails from China (Final) Table IV-9; Certain Steel Nails from the UAE (Prelim.), Table IV-5; Certain Steel Nails from the UAE (Final), Table IV-5, Preliminary Staff Report at Table IV-8, and Prehearing Staff Report at Table IV-9.

# Subject Imports Have Replaced Imports from the UAE After Orders Were Imposed

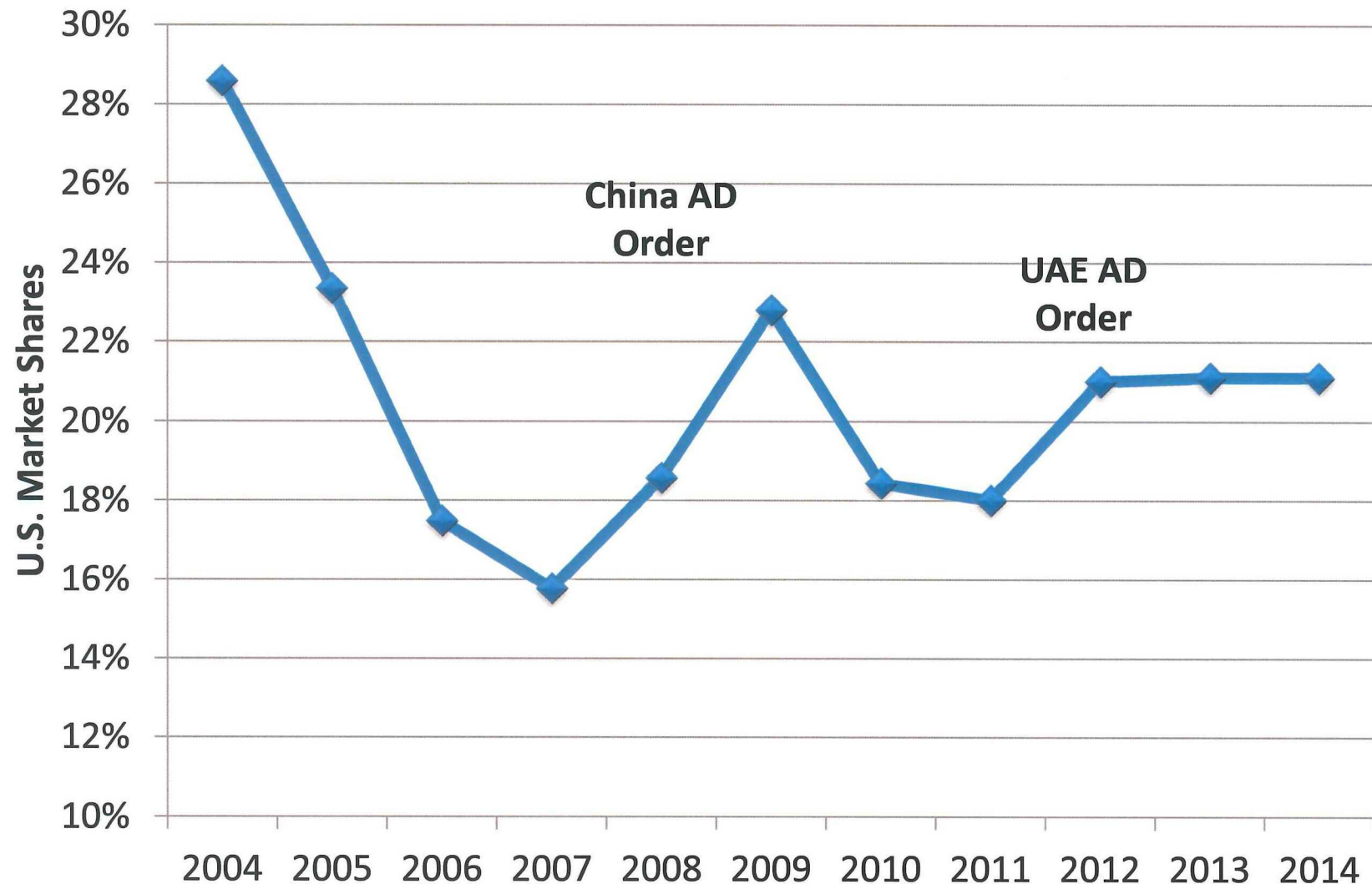


Source: U.S. Census, and ITC Staff Reports: Preliminary Phase Staff Report at Table IV-8, and Prehearing Staff Report at Table IV-9.

# Subject Imports Have More Than Replaced Imports from the UAE After Orders Were Imposed



# U.S. Producers' Share of the U.S. Steel Nail Market Has Stagnated

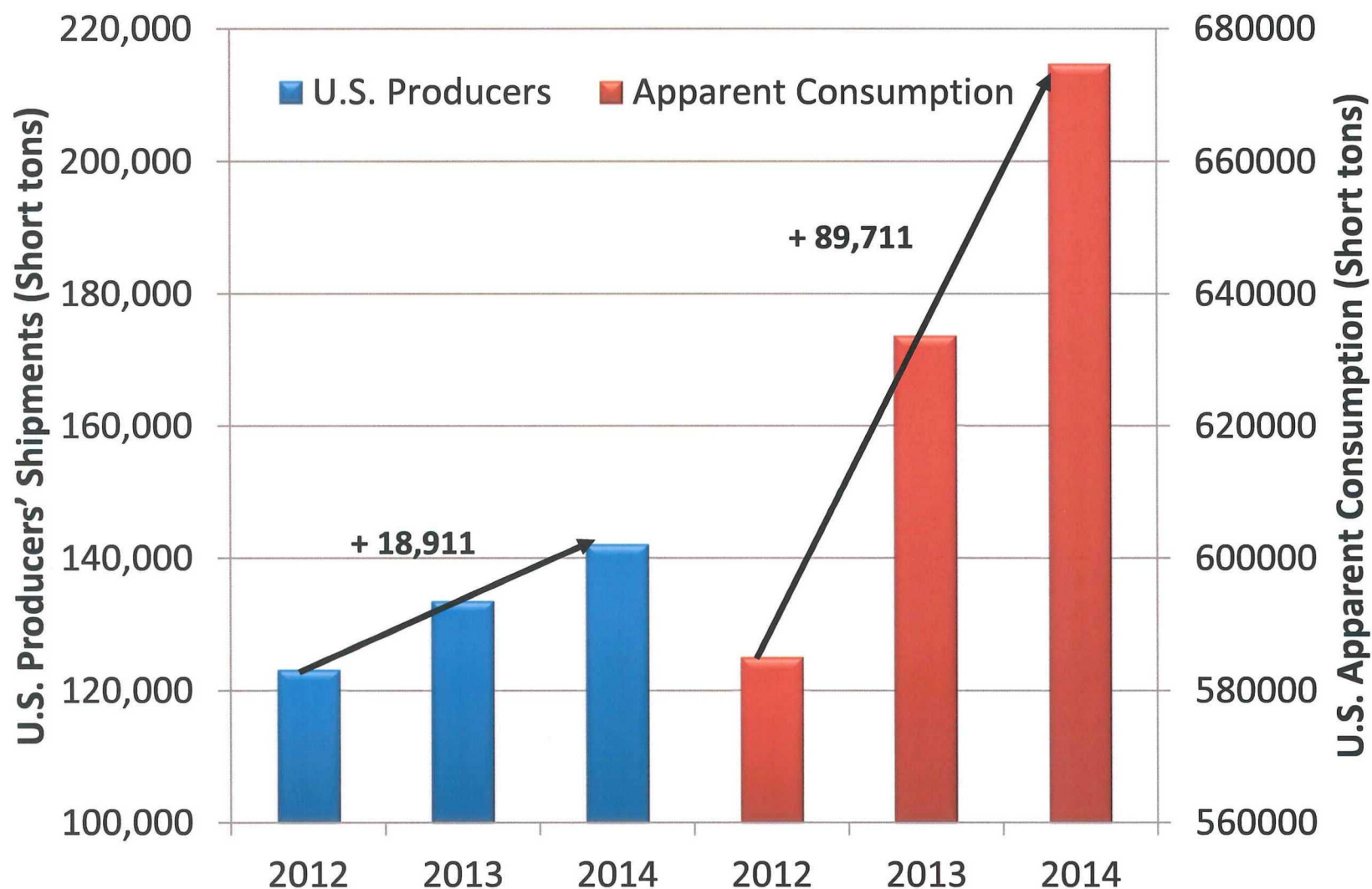


Source: ITC Staff Reports: Certain Steel Nails from China (Prelim.) Table C-1; Certain Steel Nails from China (Final) Table IV-9; Certain Steel Nails from the UAE (Prelim.), Table IV-5; Certain Steel Nails from the UAE (Final), Table IV-5, Preliminary Staff Report at Table IV-8, and Prehearing Staff Report at Table IV-9.

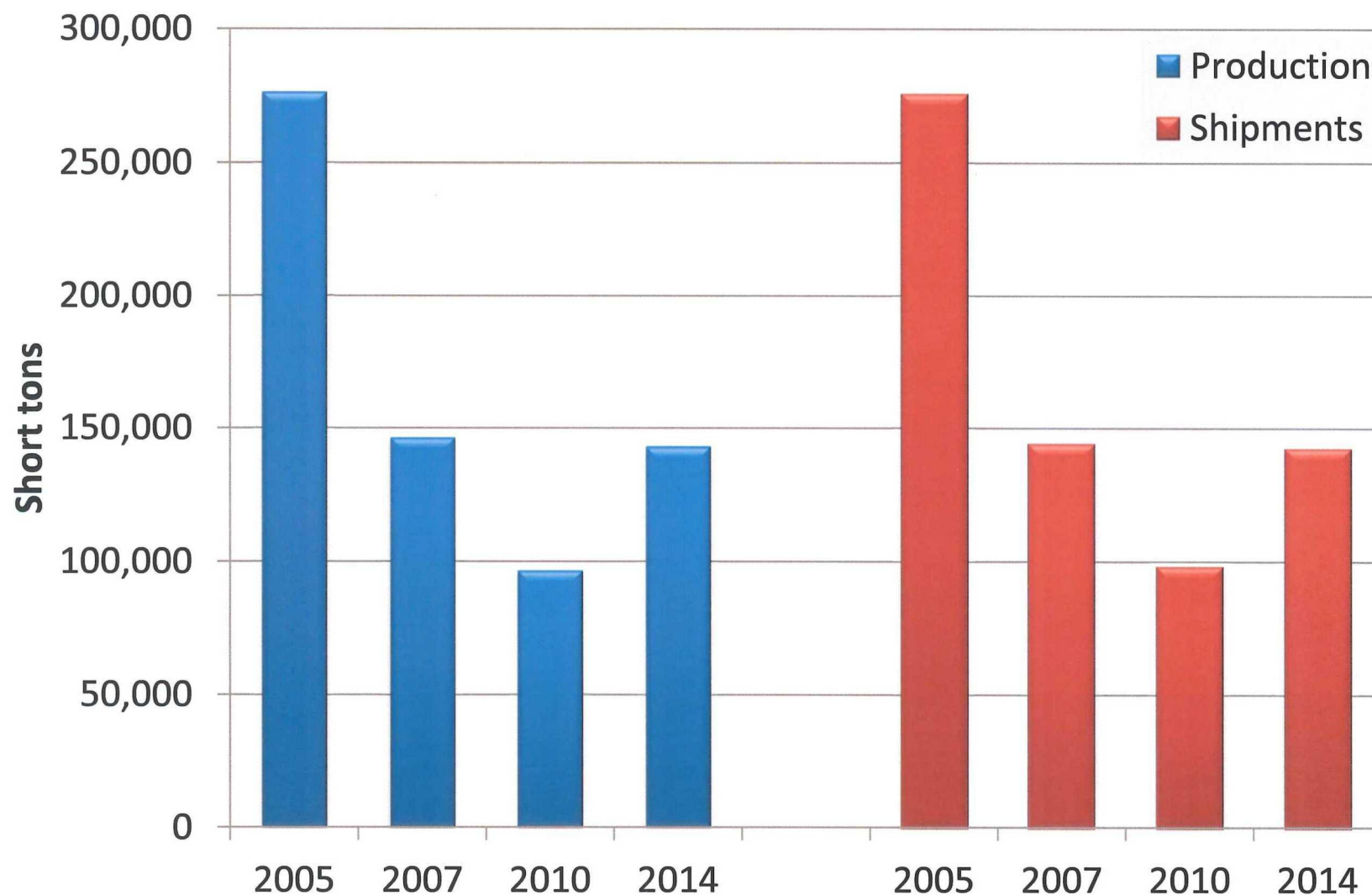
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# U.S. Producers' Shipments Have Increased by Less than Increase in Apparent Consumption



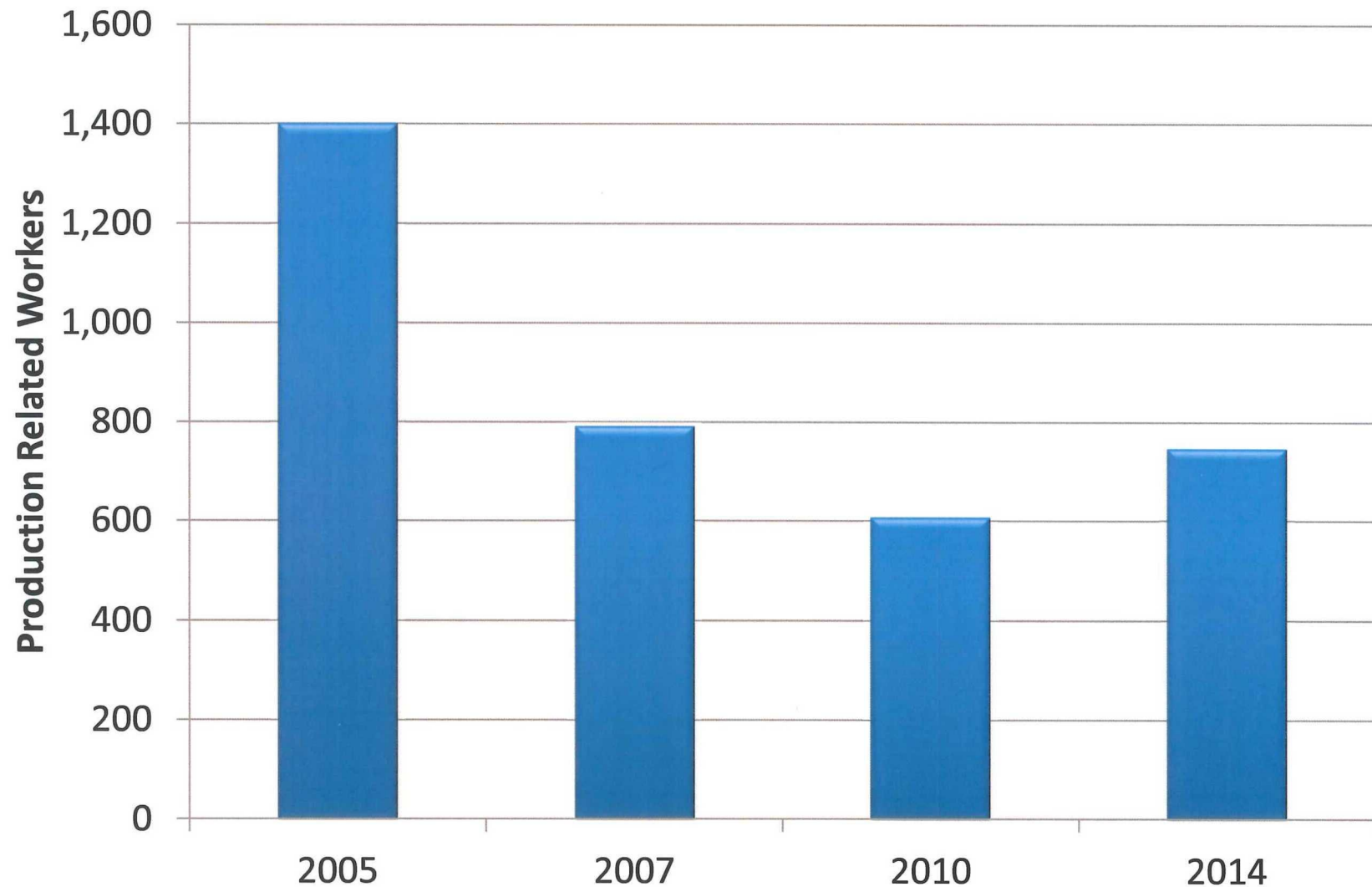
# The U.S. Steel Nail Industry's Production and Shipments Have Remained at Injurious Levels



Source: ITC Staff Reports: Certain Steel Nails from China (Final) Tables III-3 and III-4; Certain Steel Nails from the UAE (Final), Tables III-3 and III-4, Prehearing Staff Report at Tables III-3 and III-4.

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# U.S. Industry Employment Levels Remain Low

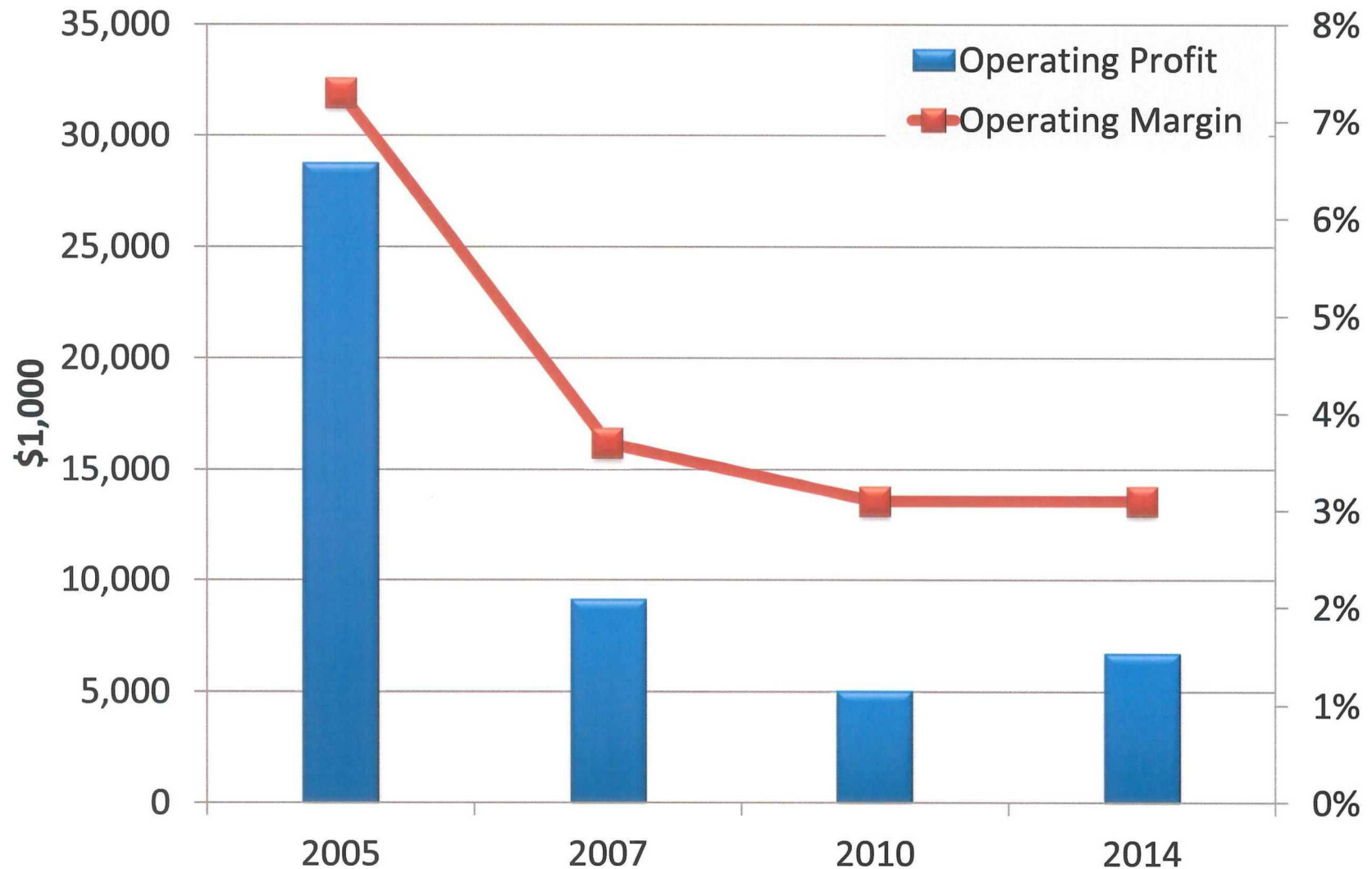


Source: ITC Staff Reports: Certain Steel Nails from China (Final) Table III-10; Certain Steel Nails from the UAE (Final), Table III-11; Prehearing Staff Report at Table III-9.

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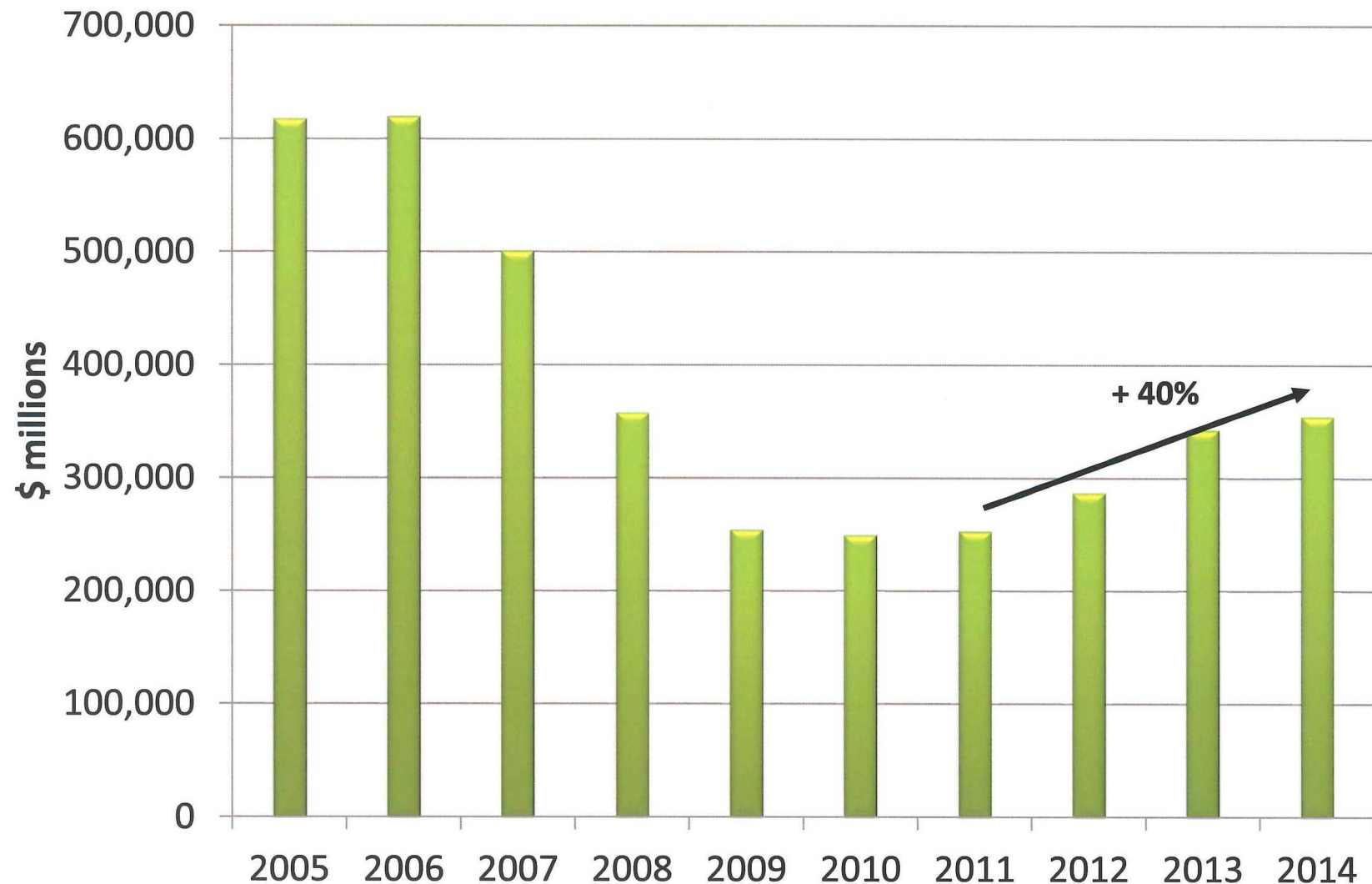
# U.S. Industry Operating Profits Remain Low



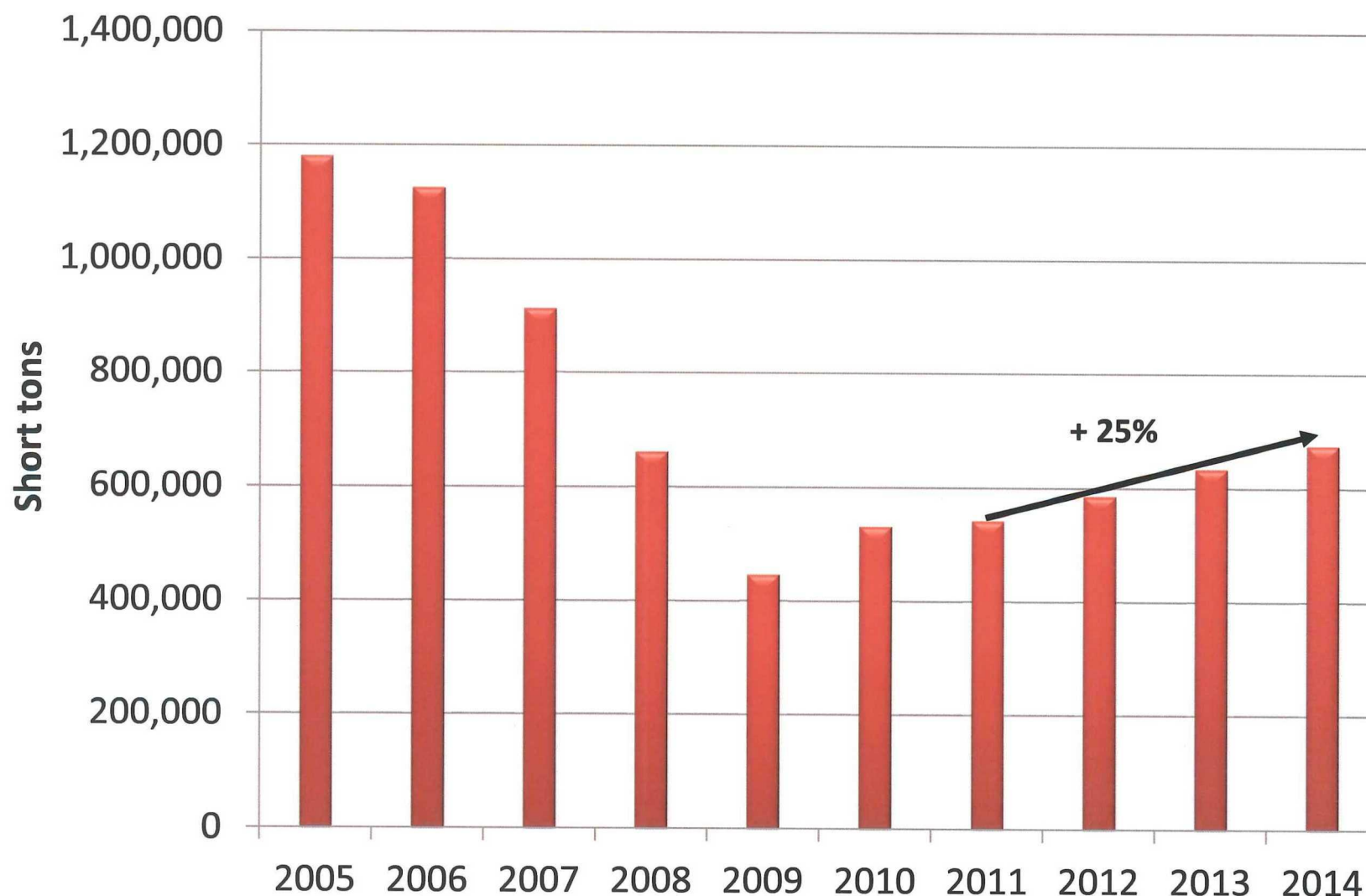
Source: ITC Staff Reports: Certain Steel Nails from China (Final) Table VI-1; Certain Steel Nails from the UAE (Final), Table VI-1; Prehearing Staff Report at Table VI-1.

Prepared by Capital Trade, Inc.

# U.S. Residential Construction Fell Precipitously But Has Been Increasing Since 2011



# U.S. Apparent Consumption Fell Precipitously But Has Been Increasing Since 2011



Source: ITC Staff Reports: Certain Steel Nails from China (Final) Table IV-9; Certain Steel Nails from the UAE (Prelim.), Table IV-5; Certain Steel Nails from the UAE (Final), Table IV-5, Preliminary Staff Report at Table IV-7, and Prehearing Staff Report at Table IV-8.

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# U.S. Producers' Sales & Operating Profits Have Stagnated Compared to Fabricated Metal Producers

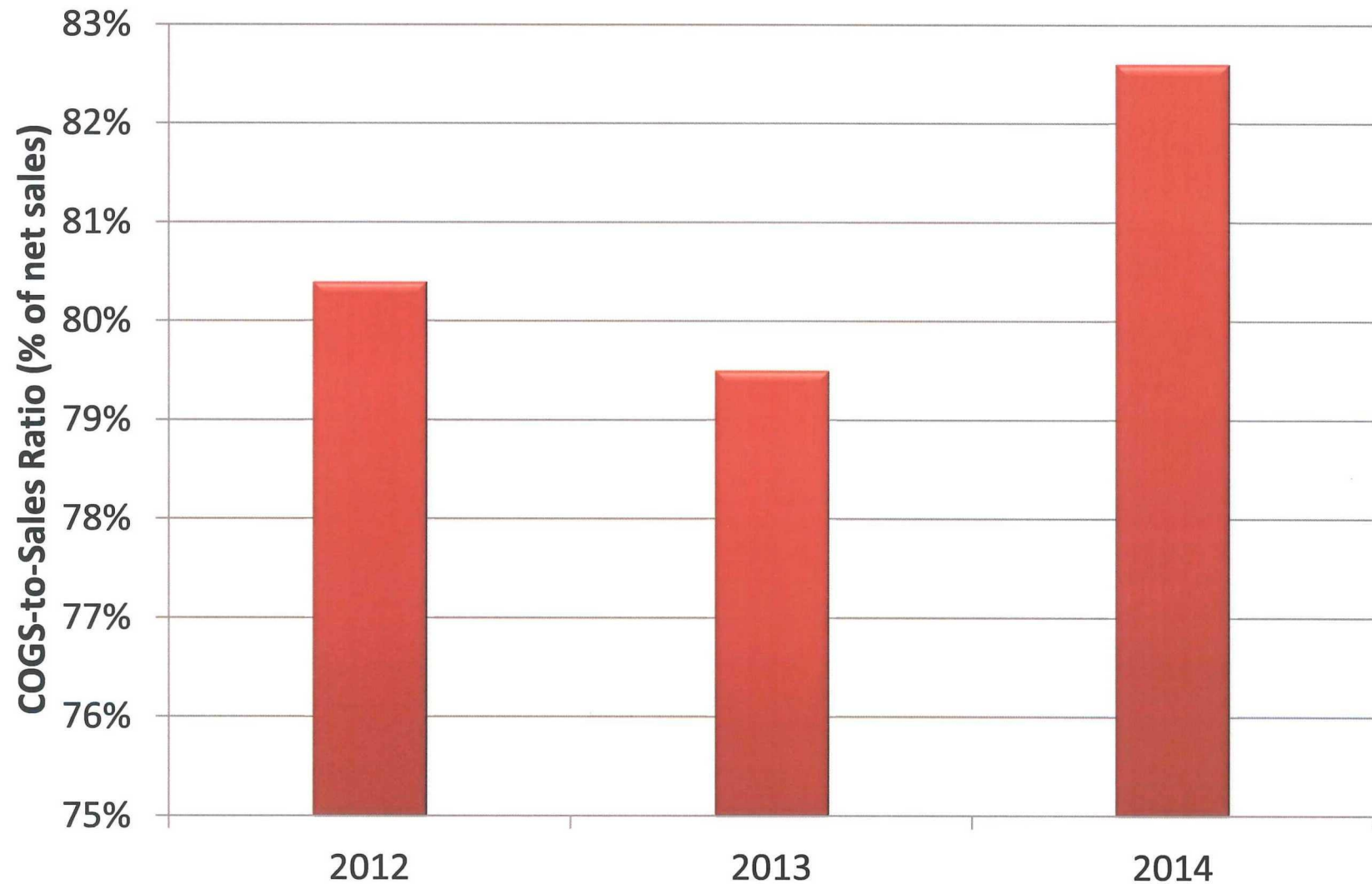
	Fabricated Metal Products (\$ millions)			Certain Steel Nails (\$1,000)		
Year	Sales	Operating Profit	Profit Margin	Sales	Operating Profit	Profit Margin
2004	223,557	17,458	7.8%	486,762	66,984	13.8%
2005	229,723	19,110	8.3%	391,509	28,759	7.3%
2006	252,158	23,832	9.5%	299,920	18,222	6.1%
2007	276,919	25,820	9.3%	238,734	9,130	3.8%
2008	293,200	23,995	8.2%	220,887	18,388	8.3%
2009	227,363	14,714	6.5%	188,898	9,580	5.1%
2010	243,150	19,262	7.9%	161,650	5,032	3.1%
2011	278,098	24,226	8.7%	175,329	6,176	3.5%
2012	295,361	26,528	9.0%	224,942	3,435	1.5%
2013	285,585	25,773	9.0%	226,738	8,579	3.8%
2014	304,400	27,950	9.2%	214,132	6,718	3.1%

# Purchasers View U.S. and Subject Steel Nails as Interchangeable

Country Combination	Always	Frequently	% of Total Always or Frequently Interchangeable	Sometimes	Never	Total
U.S.-Subject	105	72	90.8%	14	4	195
From Prior Investigations						
U.S. – China	25	13	95.0%	2	0	40
U.S. - UAE	17	8	89.3%	2	1	28



# The U.S. Industry's Steel Nails Prices Are Suppressed



Source: ITC Staff Reports: Certain Steel Nails from China (Final) Table VI-1; Certain Steel Nails from the UAE (Final), Table VI-1; and Prehearing Staff Report at Table VI-1.

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# Purchasers Report That U.S. Nails Are Rarely Lower-Priced than Subject Imports

Country Combination	U.S. Superior (Lower priced)	U.S. Comparable	U.S. Inferior (Higher Priced)	% of Total U.S. Comparable or Higher	Total
U.S. – Korea	2	19	18	95%	39
U.S. – Malaysia	0	11	15	100%	26
U.S. – Oman	1	14	13	96%	28
U.S. – Taiwan	1	16	14	97%	31
U.S. – Vietnam	1	8	13	95%	22
<b>Subject Total</b>	<b>5</b>	<b>68</b>	<b>73</b>	<b>97%</b>	<b>146</b>